VZCZCXRO0837 RR RUEHDBU RUEHFL RUEHKW RUEHLA RUEHNP RUEHROV RUEHSR DE RUEHNC #0211/01 0851433 ZNY CCCCC ZZH R 261433Z MAR 09 ZFF4 FM AMEMBASSY NICOSIA TO RUEHC/SECSTATE WASHDC 9742 INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE RUEHAK/AMEMBASSY ANKARA 5426 RUEHTH/AMEMBASSY ATHENS 4166 RUEHBS/USEU BRUSSELS RUEAIIA/CIA WASHINGTON DC RUCNDT/USMISSION USUN NEW YORK 1403

C O N F I D E N T I A L SECTION 01 OF 03 NICOSIA 000211

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TAGS: POL PREL EAIR TU CY SUBJECT: CYPRUS: T/C NEGOTIATOR CAUTIOUSLY POSITIVE ON NEW

PROPOSAL TO OPEN CROSSING POINT, G/CS NIX IT

REF: EMBASSY-EUR/SE EMAIL OF MARCH 13

Classified By: Ambassador Frank C. Urbancic, Reasons 1.4 (b), (d)

11. (C) Summary: Turkish Cypriot (T/C) Negotiator Ozdil Nami, in a March 19 meeting with the Ambassador, dubbed a new UN proposal to open the Limnitis/Yesilirmak crossing point as "not beyond the realm of the possible." Under the new plan -- which has still not been officially discussed between the two sides -- Greek Cypriots (G/Cs) would supply electricity to the T/C enclave/military base at Kokkina/Erenkoy, and T/Cs would drop demands to bring in large amounts of fuel via G/C territory. On other topics, Nami said that the Turkish Cypriots were considering "make-safe" repairs on buildings on their side of the Ledra Street crossing point to mitigate dangers to pedestrians. He also called on G/Cs to abandon efforts to delimit the "border" there and delay a full scale-renovation of the Ledra passage, since delimitation -a highly contested issue -- could only be achieved through a comprehensive settlement. The T/C negotiator voiced willingness to work with the G/Cs to allow eventual Turkish Cypriot participation in the EU's Bologna Process, which aims to facilitate academic cooperation and exchanges. Nami admitted that the recent cancellation of an EU assistance tender for the T/C community was not due to G/C arm twisting on ports (as Turkish Cypriot leader Mehmet Ali Talat had reported to P-5 Ambassadors on March 4), but over disputed property claims. Responding, the Ambassador encouraged Nami to consider any reasonable proposal to open Limnitis/Yesilirmak. He also unofficially raised with Nami the necessity of improving coordination between Republic of Cyprus and Turkish/T/C air traffic controllers using a Eurocontrol/International Civil Aviation Organization (ICAO) recommendation to initiate the discussion. In a separate conversation, G/C negotiator George Iacovou took a very hard line on Limnitis. He told the Ambassador on March 24 that the G/Cs will not make a counter-offer to the T/Cs on the latest compromise plan: "We will not reward them," Iacovou said. Ambassador encouraged Iacovou to reconsider, but he was adamant in his position. End Summary.

UN Proposal for Limnitis Not Impossible

12. (C) T/C lead negotiator Ozdil Nami told the Ambassador on March 19 that a new UN proposal to break the logjam over opening the Limnitis/Yesilirmak crossing point in western Cyprus was "not beyond the realm of the possible" -- otherwise, T/C leader Talat would have said so when UN Special Adviser Alexander Downer first raised the idea with him. (Note: Downer has floated with both sides the idea of the G/Cs' supplying electricity to the former T/C enclave and present military base at Kokkina/Erenkoy (near

Limnitis/Yesilirmak) in exchange for the T/Cs dropping their demand to bring in large amounts of fuel via G/C territory under UNFICYP escort, anathema to the Greek Cypriots and less than ideal for the UN (Ref email). Ninety-five percent of the fuel brought to Kokkina/Erenkoy -- about three tons per week by sea -- is used to generate electricity.)

- 13. (C) Turkish Cypriots continued to wait for a concrete proposal on Kokkina/Erenkoy from the Greek Cypriots, Nami said. He complained that the two sides had not formally discussed the compromise, which he had expected G/C counterpart George Iacovou to raise at their March 13 meeting. Further, Nami claimed that Downer had been "shocked" that Iacovou had not introduced the deal on March 113. When the UN envoy had tried to raise the issue, Iacovou responded half-jokingly that the T/Cs "should demilitarize the area or buy their gas at a nearby G/C village."
- ¶4. (C) Nami said that the T/Cs "very much" wanted to open the crossing point, but needed assurances from the G/Cs regarding access to and resupply of Kokkina/Erenkoy. He said it was "unthinkable" that the Turkish Cypriots would agree to opening the crossing point and then be denied access to Kokkina/Erenkoy, just kilometers away. T/C demands in addition to electricity included:
- -- free access to Kokkina/Erenkoy for all "TRNC" citizens (including those otherwise not considered Cypriot citizens by the RoC who are, at present, denied entry) and
- -- the right to overland resupply of non-lethal military NICOSIA 00000211 002 OF 003

supplies, including foodstuffs and enough fuel to run five vehicles. (Note: Nami intimated that this resupply would also be conducted under UNFICYP escort.)

The Ambassador encouraged Nami to give serious consideration to any "reasonable proposal" along the lines of the UN-suggested "electricity-for-fuel" swap that the G/Cs might propose.

15. (C) Ambassador raised the issue at dinner with Christofias and G/C Negotiator George Iacovou March 24. He told Iacovou that, as the G/Cs were always admonishing, we had talked to Turkey. We couldn't say definitively, but initial responses were encouraging; would the G/Cs be making a counter-offer on opening Limnitis/Yesilirmak? Iacovou was adamant that the Greek Cypriots would not. He said the T/Cs had offered to open it and they should do so, without strings attached. The G/Cs would not discuss the arrangement again. There will be no rewards for the T/Cs at Limnitis/Yesilirmak, Iacovou said. (Comment: A disappointing response to say the least. Ambassador will meet with Taye Zerihoun, UNFICYP head, shortly after this is being written to look at options (septel). G/Cs are apparently digging in their heels and resisting progress on all CBMs. End Comment)

Ready to Tackle Ledra II Unilaterally

16. (C) Nami said that the Turkish Cypriots were ready to begin work immediately on "Phase II" of the Ledra Street crossing, namely make-safe improvements on the buildings on either side of the narrow crossing. (Note: In April 2008, when the Ledra Street crossing opened, UNFICYP told us that such make-safe work ideally should be completed in three months.) Nami rejected G/C proposals to fully refurbish the buildings immediately, as that would entail delimiting the area -- an almost impossible task absent a comprehensive settlement, T/Cs believed. He threatened that if Iacovou continued to make demands for delimitation, the Turkish Cypriots, in the interest of safety, would unilaterally shore up Ledra Street buildings on "their side" of the Green Line (a disputed area itself).

17. (C) The Ambassador informed Nami that RoC Minister of Education Andreas Demetriou had asked him to relay Demetriou's willingness to discuss new modalities to accredit T/C universities (necessary if Turkish Cypriots are to participate in the EU's Bologna Process, which aims to create a "European Higher Education Area" by facilitating academic cooperation and exchanges). Nami replied that he was always willing to explore new solutions, but pointed out that T/Cs had rejected an earlier G/C proposal because it violated the long-time principle that education is strictly a communal purview. Turkish Cypriots stuck by their proposal for a bi-communal committee that would accredit all universities on the island, not just those in the north, as under the G/C proposal. Nami voiced readiness to discuss the issue further with counterpart George Iacovou, however. (Note: Embassy is also working separately to arrange an "accidental" meeting of the G/C and T/C Education Ministers in a neutral location hosted by a third party to explore options on accreditation. End Note)

EU Solar Panel Tender still in Play

18. (C) In response to the Ambassador's query, Nami said that the recent cancellation of an EU Financial Aid Regulation tender for a solar panel farm had been canceled because the electricity authorities in the north unwittingly had identified Greek Cypriot-owned land for the project, not former RoC state property. Nami said the T/Cs still wanted to go forward with the project, which would have to be re-tendered, and were trying to find a suitable site. (Note: Talat, at a lunch he hosted for P-5 Ambassadors on March 4, erroneously and angrily had claimed that the EU had canceled the tender because of RoC pressure that supplies for the project not be imported through "illegal" T/C ports.)

Shooting for Compromise to Ensure Travelers' Safety

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19. (C) Noting that he was not making a formal intervention, the Ambassador nonetheless urged Nami to review a Eurocontrol/International Civil Aviation Organization (ICAO) proposal to allow much needed communication between Turkish and RoC air traffic control authorities in their overlapping Flight Information Regions (FIRs). Currently, coordination is non-existent, creating extreme dangers for aircraft and civil aviation. (Note: Senior Flight Safety Foundation officials recently informed the Embassy that there have been 20 near-misses in Cypriot airspace over the last five years due to the refusal of Larnaca and Ercan Airport traffic controllers to communicate directly and deconflict flight path information.) The Ambassador noted that the safety of U.S. citizens and all those who flew in and over Cyprus was endangered by the status quo. He outlined a compromise plan under which Larnaca officials would transmit information to EuroControl in Brussels, which would then forward it to Ankara and onward to Turkish Cypriot-administered Ercan (and back to Larnaca, over the same path.) Nami acknowledged the dangers, but claimed that the G/Cs regularly engaged in "brinkmanship" by intentionally misdirecting planes. He promised to bring the issue up with Talat, however.

Comment

 $\P 10.$ (C) Nami once extolled his relations with the much older Tacovou, but lately has been voicing ever-greater frustration with his G/C counterpart. Many T/Cs and some in the international community claim he is justified. Iacovou, they argue, is delaying the implementation of a number of CBMs to take revenge for the T/Cs' refusal to open

Limnitis/Yesilirmak unconditionally, a politically-sensitive "deliverable" on which he and Nami allegedly had agreed, only to have the TGS reportedly balk in September.
Urbancic